

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 065049

62

ORIGIN ARA-10

INFO OCT-01 ISO-00 /011 R

66011

DRAFTED BY: ARA/MFGT/FM: HNBOYDSTON

APPROVED BY: ARA/MGT/FM - GEORGE J. KRIEGER, JR.

----- 055910

P 172222Z MAR 76

FM SECSTATE WASHDC

TO AMEMBASSY SAN JOSE PRIORITY

LIMITED OFFICIAL USE STATE 065049

FOR JOHN GRZYBEK

FOLLOWING REPEAT KINGSTON 1078 ACTION STATE MAR 12.

QUOTE: LIMITED OFFICIAL USE KINGSTON 1078

FOR KARL ACKERMAN (ARA/MGT) AND JOHN GRZYBEK (FBO)

E.O. 11652: N/A

TAGS: ASEC, ABLD, JM

SUBJECT: ACQUISITION OF NEW CHANCERY FOR AMEMBASSY KINGSTON

REF: KINGSTON 0933

1. PARA FOUR REFTEL (WHICH PROPOSES NEGOTIATION OF LEASE FOR CHANCERY SPACE IN JAMAICA MUTUAL LIFE BUILDING) NOTED ONLY OTHER OFFICE BUILDING PRESENTLY UNDER CONSTRUCTION IN KINGSTON NOT DUE FOR COMPLETION UNTIL MID-1977. THIS PAST WEEK OWNERS (LAKE REALTY) PROVIDED A REVISED TIME-TABLE WHICH SUGGEST FULL OCCUPANCY COULD BE IN FIRST QUARTER CY 1977 (POSSIBLY AS EARLY AS JANUARY IF CONSTRUCTION REMAINS AHEAD OF SCHEDULE AS PRESENTLY IS THE CASE). OWNERS ALSO EAGER TO LEASE CHANCERY SPACE. FOLLOWING ARE RELEVANT DETAILS.

2. BUILDING, NOW ABOUT HALF-COMPLETE, IS ON KNUTSFORD BOULEVARD JUST NORTH SHERATON AND PEGASUS HOTELS IN CENTER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 065049

NEW KINGSTON. IT WILL HAVE TEN FLOORS; FIRST FIVE FLOORS

TO BE OCCUPIED BY ROYAL BANK OF JAMAICA AND INDOOR PARKING, AND ALL REMAINING FLOORS OFFERED TO US, I.E. GOP FIVE FLOORS. ALSO AVAILABLE (POSSIBLY FOR JUNE OCCUPANCY) ARE 2000 NET SQUARE FEET ON GROUND FLOOR WHICH COULD BE UTILIZED BY USIS/COMMERCIAL LIBRARY, OR BY CONSULAR SECTION'S PROTECTION AND WELFARE UNIT. TOTAL SPACE AVAILABLE (INCLUDING ABOVE-MENTIONED 2000 SQUARE FEET) IS 31,000 NET SQUARE FEET USABLE OFFICE SPACE, I.E. APPROXIMATELY SAME AS IN JAMAICA MUTUAL LIFE.

3. QUOTE PRICE FOR LEASE AND SHARED SERVICES COSTS ABOUT THE SAME AS THAT QUOTED REFTEL FOR JAMAICA MUTUAL LIFE WITH ONE MAJOR DIFFERENCE: OWNERS WILLING (UNLIKE JAMAICA MUTUAL) INCLUDE OPTION TO PURCHASE IN LEASE, AND APPLY PROPORTION OF ANNUAL LEASE TO ULTIMATE PURCHASE -- THE AMOUNT TO BE NEGOTIATED. WITHIN ANY EXERCISE OF OPTION TO PURCHASE, ROYAL BANK WOULD REMAIN IN BUILDING FOR LIFE OF ITS LEASE, BUT IT WOULD BE ONLY OTHER TENANT. LAND ON TWO SIDES AND BEHIND THIS BUILDING UNDEVELOPED AND AVAILABLE. BUILDING OWNERS STATE THEY WOULD BE WILLING TAKE UP OPTION ON SOME OF THIS LAND AND ON ENTREPRENEURIAL BASIS AT SOME FUTURE DATE BUILD AN ANNEX FOR VISA UNIT WHEN AND IF WE WISH MOVE ALL MISSION ELEMENTS INTO SAME AREA. (ALL OTHER MISSION ELEMENTS COULD BE HOUSED FOR OUTSET IN BUILDING NOW UNDER CONSTRUCTION.)

4. BUILDING AS PRESENTLY PLANNED, OR THROUGH MODERATE MODIFICATION, CAN HANDLE ALL OUR PHYSICAL AND SECURITY REQUIREMENTS, INCLUDING CONTROLLED ACCESS OF AT LEAST ONE ELEVATOR (POSSIBLY TWO), ONE STAIRWELL, AND ROOF. OWNERS PROPOSE, IF WE LEASE, BUILD EMBASSY COMMO VAULT AREA ON ROOF WITH DIRECT ACCESS BY STAIRWELL FROM TOP FLOOR, LIKE JMLC, IT WILL HAVE ITS OWN EMERGENCY WATER SUPPLY AND GENERATOR.

5. ADVANTAGES THIS BUILDING RELATIVE TO JMLC (REFTEL) APPEAR TO BE AS FOLLOWS.

A. NEGOTIATED LEASE PRICE LIKELY BE SOMEWHAT LESS THAN FOR JMLC WITH ADDED ADVANTAGE OF OPTION TO PURCHASE, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 065049

AND POSSIBILITY ENTREPRENEURIAL ARRANGEMENT CONSTRUCTION OF VISA ANNEX. IN OTHER WORDS, THIS COULD BECOME A PERMANENT CHANCERY CAPABLE HOUSING ENTIRE MISSION, UNLIKE JMLC.

B. LOCATION marginally BETTER THAN JMLC.

C. INDOOR CAR PARKING FOR ALL OFFICIAL AND STAFF VEHICLES.

D. FULL CONTROL OF TOP FIVE FLOORS PLUS PART OF GROUND AREA FOR USIS/COMMERCIAL LIBRARY.

6. DISADVANTAGES RELATIVE TO JMLC APPEAR TO BE AS FOLLOWS.

A. DESPITE ASSURANCES FROM OWNER/BUILDERS--AND FROM ARCHITECT/ENGINEER--WE REMAIN UNCONVINCED OCCUPANCY CAN BE GUARANTEED BEFORE SECOND QUARTER 1977.

B. BUILDING, THOUGH MODERN AND REASONABLY WELL DESIGNED, IS NO MATCH FOR JMLC IN EITHER CONSTRUCTION OR PRESTIGE.

C. FLOORS ARE SMALLER AND OFFICE SPACE ARRANGEMENT POTENTIAL LESS FLEXIBLE THAN IN JMLC. THOUGH ADEQUATE SPACE AVAILABLE, WE WOULD BE SPREAD THROUGH MORE FLOORS WITH THE INCONVENIENCE SUCH AN ARRANGEMENT POSES.

D. BUILDING HAS NO CONFERENCE FACILITIES, AS DOES JMLC.

E. UNLIKE JMLC, THERE IS NO PROVISION BY OWNERS FOR 24-HOUR BUILDING AND GROUNDS ARMED SECURITY GUARD SERVICE. THIS DISADVANTAGE IS OFFSET TO SOME DEGREE BY FACT ALL PARKING IS INDOORS--BUT LATTER DOES NOT EXCLUDE POSSIBILITY OF MUGGINGS, ETC. WITHIN GARAGE AREA DURING HOURS OF DARKNESS OWING FREE ACCESS TO THAT AREA FROM STREET. WE AND ROYAL BANK COULD JOINTLY AND DIRECTLY CONTRACT FOR APPROPRIATE GUARD SERVICE TO COPE WITH THIS PROBLEM.

7. IN ALL OTHER RESPECTS THERE IS LITTLE TO CHOOSE BETWEEN THE TWO BUILDINGS. ULTIMATE DECISION SHOULD BE BASED ON (A) LEASE TERMS, AND (B) REFINED OCCUPANCY ESTIMATES. WE ALSO HAVE CONFIRMED THAT IN BOTH INSTANCES QUOTED RENTAL RATES ARE NOT OUT OF LINE WITH RECENT LEASES IN MAJOR NEW OFFICE BUILDINGS ELSEWHERE IN KINGSTON. (WILL PROVIDE DETAILS TO JOHN GRZYBEK ON HIS ARRIVAL IN KINGSTON.) THIS DOES NOT MEAN WE CANNOT GET A FAR BETTER DEAL AS SUGGESTED REFTEL; OWNERS BOTH BUILDINGS WANT US AS TENANTS AND ARE PREPARED MAKE MANY AND MAJOR CONCESSIONS, INCLUDING RATES.

8. ACTION REQUESTED. SUGGEST JOHN GRZYBEK ALSO BE AUTHORIZED TO NEGOTIATE WITH OWNERS THIS BUILDING. OWNERS THIS BUILDING AND JMLC ARE HOLDING THEIR SCHEDULES LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 065049

OPEN MARCH 26-29 TO MEET AS OFTEN AND WHENEVER NECESSARY. FIRST APPOINTMENT IS 1030 HOURS MARCH 26 WITH OWNERS JMLC GERARD UNQUOTE KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE065049
Document Source: CORE
Document Unique ID: 00
Drafter: ARA/MFGT/FM:HNBOYDSTON
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760101-0563
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760350/aaaabrsl.tel
Line Count: 158
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 KINGSTON 933
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 19 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 JUL 2004 by coburnhl>; APPROVED <27 OCT 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ACQUISITION OF NEW CHANCERY FOR AMEMBASSY KINGSTON
TAGS: ASEC, ABLD, JM
To: SAN JOSE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006